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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

UNITED STATES POSTAL SERVICE

FY 2002 CONGRESSIONAL BUDGET

WORKPAPERS

FISCAL YEAR 2002 PRESIDENT'S BUDGET HIGHLIGHTS

ITEM	FY 2000 ACTUAL	USPS FY 2001 ESTIMATE	OMB PROPOSED ADJ.	OMB FY 2001 ESTIMATE	USPS FY 2002 ESTIMATE	OMB PROPOSED ADJ.	OMB FY 2002 ESTIMATE
Workyears	917,223	908,524		908,524	894,462		894,462

Mail Volume (Millions of Pieces)	207,882	208,945		208,945	213,000		213,000
Mail Volume (Percent Change Over Previous Year)	3.09%	0.51%		0.51%	1.94%		1.94%
Workyears (Percent Change Over Previous Year)	-0.22%	-0.95%		-0.95%	-1.55%		-1.55%
Change in Peices Per Workyear (Percent Change Over Pervious Year)	3.32%	1.47%		1.47%	3.54%		3.54%

Total Revenues and Operating Receipts	64,581,009	66,430,993		66,430,993	68,194,613		68,194,613
Total Expenses	64,780,837	68,930,993		68,930,993	71,194,812		71,194,812
Net Income or (Loss)	(199,828)	(2,500,000)		(2,500,000)	(3,000,199)		(3,000,199)

Capital Committments (\$000) Gross	3,160,634	2,675,135		2,675,135	2,416,325		2,416,325
Capital Committments (\$000) Net	3,010,813	2,675,135		2,675,135	2,416,325		2,416,325

Capital Outlays (\$000)	3,169,450	2,600,000		2,600,000	2,600,000		2,600,000

ACTUAL FISCAL YEAR: 2000

BUDGET HIGHLIGHTS

**Cost Segment 1
Postmasters**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	31,576	31,576	-	0.0%	31,576	-	0.0%
Expenses (\$000):							
Salaries and Benefits	1,687,253,293	1,791,954,972	104,701,679	620.5%	1,860,964,159	173,710,867	1029.5%
Travel of Persons	15,177,207	15,468,609	291,402	192.0%	15,552,140	374,933	247.0%
Trans. of Hsld Eff	1,709,615	1,742,440	32,825	192.0%	1,751,849	42,234	247.0%
TOTAL	<u>1,704,140,114</u>	<u>1,809,166,021</u>	<u>105,025,906</u>	<u>616.3%</u>	<u>1,878,268,148</u>	<u>174,128,033</u>	<u>1021.8%</u>

Description:

This segment includes personnel costs that can be attributed to postmasters, district managers/postmasters, and some Bulk Mail Centers managers. Segment 1 costs consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-accounts 101, 102 and 161. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**Cost Segment 2
Professls & Supervisors**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	58,318	58,318	-	0.0%	58,318	-	0.0%
Expenses (\$000):							
Salaries and Benefits	3,462,979,705	3,673,102,944	210,123,239	606.8%	3,810,623,615	347,643,910	1003.9%
Travel of Persons	45,710,362	46,588,001	877,639	192.0%	46,839,576	1,129,214	247.0%
Trans. of Hsld Eff	3,904,294	3,979,256	74,962	192.0%	4,000,744	96,450	247.0%
Benefits: Former Person	15,607	15,607	-	0.0%	15,607	-	0.0%
TOTAL	3,512,609,968	3,723,685,808	211,075,841	600.9%	3,861,479,543	348,869,575	993.2%

Description:

This segment includes personnel costs that can be attributed to supervisors and technical personnel in field installations, except those in custodial, building and equipment maintenance activities (Segment 11), motor vehicle service activities (Segment 12), and miscellaneous local operations (Segment 13). Managers of postal installations other than post offices and Bulk Mail Centers managers are covered by this segment. Segment 2 costs consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-accounts 103 and 130. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**Cost Segment 3
Clerks & MH CAG A to J**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	389,301	384,601	(4,700)	-120.7%	370,182	(19,119)	-491.1%
Expenses (\$000):							
Salaries and Benefits	18,755,348,057	19,372,411,280	617,063,223	329.0%	19,412,181,387	656,833,329	350.2%
Travel of Persons	9,273,520	9,392,814	119,294	128.6%	9,022,567	(250,953)	-270.6%
Trans. of Hsld Eff	347,809	352,173	4,364	125.5%	338,578	(9,231)	-265.4%
Equipment Maint Allow	6,150	6,118	(32)	-52.4%	5,995	(155)	-251.4%
Benefits: Former Person	483,977	483,977	-	0.0%	483,977	-	0.0%
TOTAL	<u>18,765,459,513</u>	<u>19,382,646,361</u>	<u>617,186,848</u>	<u>328.9%</u>	<u>19,422,032,504</u>	<u>656,572,991</u>	<u>349.9%</u>

Description:

This segment included personnel costs that can be attributed to clerks and mailhandlers personnel in CAG A-J post offices, their classified stations and branches, processing and distribution centers/facilities, air mail centers, facilities, bulk mail centers, and remote encoding centers. Segment 3 costs consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-accounts 104 and 107. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**Cost Segment 4
Clerks CAG K**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	173	173	0	17.9%	173	0	17.9%
Expenses (\$000):							
Salaries and Benefits	7,062,094	7,519,449	457,355	647.6%	7,870,734	808,640	1145.0%
Travel of Persons	15,975	16,313	337	211.2%	16,400	425	265.8%
TOTAL	<u>7,078,069</u>	<u>7,535,761</u>	<u>457,692</u>	<u>646.6%</u>	<u>7,887,133</u>	<u>809,065</u>	<u>1143.1%</u>

Description:

This segment included personnel costs that can be attributed to clerks in CAG K post offices. Segment 4 costs consist salaries, benefits, travel, and relocation costs recorded in general ledger sub-account 105. Also included are amounts r in account identifier codes related to the same sub-accounts.

**Cost Segment 6
City Delivery Carriers**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	266,971	262,620	(4,352)	-163.0%	262,481	(4,490)	-168.2%
Expenses (\$000):							
Salaries and Benefits	13,148,841,090	13,829,228,328	680,387,238	517.5%	14,580,913,004	1,432,071,914	1089.1%
Travel of Persons	1,558,764	1,562,937	4,173	26.8%	1,570,525	11,761	75.5%
Trans. of Hsld Eff	91,534	91,780	245	26.8%	92,225	691	75.5%
TOTAL	13,150,491,388	13,830,883,044	680,391,656	517.4%	14,582,575,754	1,432,084,366	1089.0%

Description:

This segment includes personnel costs that can be attributed to city delivery carriers. Segment 6 includes office activity, and segment 7 includes street activity. Segment 6 and 7 costs consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-account 113. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**Cost Segment 8
Vehicle Drivers**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	10,163	10,163	(0)	-0.1%	10,163	(0)	-0.1%
Expenses (\$000):							
Salaries and Benefits	519,519,637	548,278,363	28,758,726	553.6%	570,905,026	51,385,389	989.1%
Travel of Persons	35,992	36,683	691	192.0%	36,881	889	247.0%
TOTAL	<u>519,555,629</u>	<u>548,315,046</u>	<u>28,759,417</u>	<u>553.5%</u>	<u>570,941,907</u>	<u>51,386,279</u>	<u>989.0%</u>

Description:

This segment includes personnel costs that can be attributed to vehicle service drivers. Segment 8 costs consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-account 114. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**Cost Segment 10
Rural Carriers**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	91,194	91,194	-	0.0%	91,194	-	0.0%
Expenses (\$000):							
Salaries and Benefits	3,867,068,281	4,103,565,741	236,497,460	611.6%	4,265,292,873	398,224,592	1029.8%
Travel of Persons	2,595,417	2,645,096	49,679	191.4%	2,659,335	63,918	246.3%
Equipment Maint Allow	364,581,359	376,481,379	11,900,020	326.4%	388,145,879	23,564,521	646.3%
TOTAL	<u>4,234,245,057</u>	<u>4,482,692,215</u>	<u>248,447,159</u>	<u>586.8%</u>	<u>4,656,098,088</u>	<u>421,853,031</u>	<u>996.3%</u>

Description:

This segment includes personnel costs that can be attributed to rural carriers. Segment 10 costs consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-account 112. Also included are amounts recorded in account identifier codes related to the same sub-accounts. Rural carrier equipment maintenance allowance cost (52462) are included in this segment.

**Cost Segment 11
Bldg, Plt, & Oper Equip**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	47,817	48,170	353	73.8%	48,665	848	177.3%
Expenses (\$000):							
Salaries and Benefits	2,471,451,102	2,624,657,637	153,206,535	619.9%	2,761,189,840	289,738,739	1172.3%
Travel of Persons	16,177,201	16,492,122	314,921	194.7%	16,855,609	678,407	419.4%
Trans. of Hsld Eff	326,291	332,801	6,510	199.5%	339,994	13,703	420.0%
Contract Job Cleaners	66,216,381	69,356,131	3,139,750	474.2%	70,638,520	4,422,138	667.8%
Benefits: Former Person	42,508	42,508	-	0.0%	42,508	-	0.0%
TOTAL	<u>2,554,213,484</u>	<u>2,710,881,200</u>	<u>156,667,716</u>	<u>613.4%</u>	<u>2,849,066,471</u>	<u>294,852,987</u>	<u>1154.4%</u>

Description:

This segment includes all personnel costs, including supervision , that can be attributed to building services, postal operating, building, and plant equipment maintenance, maintenance administrative support, and repair and service center activities. Segment 11 costs consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-accounts 121, 123, 125, 127, and 153. Also included are amounts recorded in account identifier codes related to the same sub-accounts. Costs for contract cleaners (52311) are included in this segment.

**Cost Segment 12
Vehicle Maintenance**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	6,210	6,210	(0)	-0.7%	6,210	(0)	-0.7%
Expenses (\$000):							
Salaries and Benefits	325,743,967	343,228,766	17,484,799	536.8%	356,674,694	30,930,727	949.5%
Travel of Persons	1,473,954	1,502,106	28,151	191.0%	1,510,202	36,248	245.9%
Trans. of Hsld Eff	27,816	28,348	531	191.0%	28,500	684	245.9%
Vehicle Hire	49,790,009	51,721,722	1,931,713	388.0%	53,753,853	3,963,844	796.1%
Vehicle Repair & Maint	83,866,690	86,600,561	2,733,871	326.0%	89,284,294	5,417,604	646.0%
Elec. Pwr for Motor Veh	86,562	90,587	4,025	465.0%	91,881	5,319	614.5%
Operating Supplies & Mat	149,075,771	151,341,654	2,265,883	152.0%	149,281,928	206,157	13.8%
Vehicle Suppl & Mat	164,899,877	167,406,280	2,506,402	152.0%	165,127,918	228,041	13.8%
VMF Inv Adj: Suppl & Mat	3,769,349	3,826,641	57,292	152.0%	3,774,562	5,213	13.8%
TOTAL	778,733,996	805,746,664	27,012,668	346.9%	819,527,833	40,793,837	523.8%

Description:

This segment includes all personnel costs, including supervision, that can be attributed to motor vehicle maintenance services. Segment 12 costs, consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-account 141. Also included are amounts recorded in account identifier codes related to the same sub-accounts. Cost for motor vehicle supplies, materials, maintenance, and vehicle hire are included in this segment.

**Cost Segment 13
Miscellaneous Field Ops**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	807	807	-	0.0%	807	-	0.0%
Expenses (\$000):							
Salaries and Benefits	75,108,992	77,845,663	2,736,671	364.4%	79,716,380	4,607,388	613.4%
Travel of Persons	83,199,186	85,610,210	2,411,024	289.8%	88,026,228	4,827,042	580.2%
Trans. of Hsld Eff	28,683,029	29,246,136	563,107	196.3%	29,437,721	754,693	263.1%
Supplies and Materials	75,635,596	77,721,435	2,085,838	275.8%	79,860,750	4,225,154	558.6%
Reimbursements	(1,088,921)	(1,140,318)	(51,397)	472.0%	(1,157,765)	(68,844)	632.2%
Rental Allowance, CAG L	20,148	20,148	-	0.0%	20,148	-	0.0%
Contract Stations	69,351,350	69,351,350	-	0.0%	69,351,350	-	0.0%
Benefits: Former Person	116,370	116,370	-	0.0%	116,370	-	0.0%
TOTAL	<u>331,025,750</u>	<u>338,770,993</u>	<u>7,745,243</u>	<u>234.0%</u>	<u>345,371,183</u>	<u>14,345,433</u>	<u>433.4%</u>

Description:

This segment includes personnel costs that can be attributed to the Mail Equipment Shops, the facility field offices, and the purchasing field service centers. Segment 13 costs consist of the salaries, benefits, travel, and relocation costs recorded in general ledger sub-accounts 142, 146, and 148. Also included are amounts recorded in account identifier codes related to the same sub-accounts.

**Cost Segment 14
Transportation**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	-	-	-	0.0%	-	-	0.0%
Expenses (\$000):							
Domestic Airmail	1,682,760,622	2,058,398,237	375,637,615	2232.3%	2,095,437,415	412,676,793	2452.4%
Foreign Airmail	203,846,650	212,328,505	8,481,855	416.1%	221,134,618	17,287,968	848.1%
Railroad Services	276,756,347	288,834,741	12,078,393	436.4%	307,970,582	31,214,235	1127.9%
Domestic Water Services	29,756,594	31,410,100	1,653,505	555.7%	33,432,510	3,675,915	1235.3%
Foreign Water Services	7,253,685	6,727,713	(525,972)	-725.1%	6,819,210	(434,475)	-599.0%
Highway Transportation	2,154,965,021	2,264,084,110	109,119,089	506.4%	2,413,448,699	258,483,678	1199.5%
Terminal: Transit Charges	353,518,892	360,292,227	6,773,334	191.6%	367,081,933	13,563,041	383.7%
Other Services	12,516,196	12,516,196	-	0.0%	12,516,196	-	0.0%
TOTAL	<u>4,721,374,008</u>	<u>5,234,591,828</u>	<u>513,217,820</u>	<u>1087.0%</u>	<u>5,457,841,163</u>	<u>736,467,155</u>	<u>1559.9%</u>

Description:

This segment includes the cost of non-Postal Service contractual resources used to transport domestic mail between Postal Service facilities within the United States of America. Air, highway, rail, and water transportation modes are included. (The cost of Postal Service resources used to transport mail, which include Vehicle Service Drivers and Postal Service owned vehicles, are included in Cost Segment 8.) This segment also included the costs of transporting international mail between the United States and foreign countries, and the impact on international mail transportation of fluctuations in the international currency conversion exchange rates, known as Special Drawing Rights, or SDR's. The cost of overseas military and official U. S. Government mail and an exactly offsetting reimbursement from the U. S. Government is also included in this segment.

**Cost Segment 15
Building Occupancy**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	-	-	-	0.0%	-	-	0.0%
Expenses (\$000):							
Rents	861,990,827	913,724,662	51,733,836	600.2%	958,102,016	96,111,190	1115.0%
Rent Reimbursements	(55,823,583)	(57,995,120)	(2,171,537)	389.0%	(59,589,986)	(3,766,403)	674.7%
Fuels	48,248,197	56,172,215	7,924,018	1642.3%	54,210,752	5,962,555	1235.8%
Utilities	417,689,921	494,906,763	77,216,842	1848.7%	462,284,785	44,594,864	1067.7%
Communications	214,143,730	238,001,343	23,857,613	1114.1%	219,568,536	5,424,806	253.3%
Bldg. Projects Expend	161,167,296	165,598,414	4,431,118	274.9%	167,250,818	6,083,522	377.5%
Moving Expense	5,154,790	5,247,061	92,271	179.0%	5,260,703	105,913	205.5%
Reimbursements	3,912	4,019	107	273.0%	3,996	84	215.5%
Communications	137,718	141,491	3,772	273.9%	141,741	4,022	292.1%
TOTAL	<u>1,652,712,808</u>	<u>1,815,800,847</u>	<u>163,088,039</u>	<u>986.8%</u>	<u>1,807,233,362</u>	<u>154,520,553</u>	<u>935.0%</u>

Description:

This segment includes the non-capital related non-personnel costs of occupying and maintaining Postal Service owned and rented facilities. These costs include rent, heating fuel, building repairs and alterations, and utilities such as gas, electricity, water, and voice telephone.

**Cost Segment 16
Supplies & Services**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	310	310	-	0.0%	310	-	0.0%
Expenses (\$000):							
ADP	440,060,999	446,793,932	6,732,933	153.0%	440,717,535	656,536	14.9%
Equipment	38,112,687	38,695,811	583,124	153.0%	38,169,548	56,861	14.9%
Custodial	81,128,383	82,369,647	1,241,264	153.0%	81,249,420	121,037	14.9%
Buildings	419,619,293	426,039,468	6,420,175	153.0%	420,245,331	626,038	14.9%
Printing and Production	53,234,754	54,049,246	814,492	153.0%	53,314,176	79,422	14.9%
Accountable Paper	186,253,577	189,103,256	2,849,680	153.0%	186,531,452	277,875	14.9%
Postal Supplies & Serv.	1,471,041,447	1,515,118,548	44,077,102	299.6%	1,343,733,254	(127,308,193)	-865.4%
Supplies and Services	590,102,121	599,130,683	9,028,562	153.0%	540,982,506	(49,119,615)	-832.4%
Other Services	12,185,198	12,196,633	11,436	9.4%	12,186,313	1,115	0.9%
Reimbursements	(942,166)	(956,582)	(14,415)	153.0%	(943,572)	(1,406)	14.9%
Salaries and Benefits	17,356,117	18,291,671	935,554	539.0%	18,971,071	1,614,953	930.5%
Travel of Persons	273,091	278,324	5,233	191.6%	279,822	6,731	246.5%
Other Services	73,114,136	75,111,785	1,997,649	273.2%	76,447,562	3,333,426	455.9%
Supplies and Materials	5,758	5,846	88	153.0%	5,766	9	14.9%
Operating Supplies & Mat	11,465,246	11,640,664	175,418	153.0%	11,482,351	17,105	14.9%
TOTAL	3,393,010,638	3,467,868,934	74,858,295	220.6%	3,223,372,534	(169,638,105)	-500.0%

Description:

This segment includes the non-personnel cost of supplies and spare parts, and the personnel cost of employees at Purchasing Service Centers and Materiel Distribution Centers who purchase and maintain inventories of postal supplies and spare parts, and then distribute them to postal installations. Also included is the cost of printing and reproduction, including postage stock and other accountable paper, and the cost of contractual and other services, except those related to the transportation of mail which are include in Cost Segment 14, and those related to Headquarters Administration which are included in cost segment 18.

**Cost Segment 17
Research & Development**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	-	-	-	0.0%	-	-	0.0%
Expenses (\$000):							
Projects Expensed	42,454,049	44,825,049	2,371,000	558.5%	46,109,049	3,655,000	860.9%
TOTAL	<u>42,454,049</u>	<u>44,825,049</u>	<u>2,371,000</u>	<u>558.5%</u>	<u>46,109,049</u>	<u>3,655,000</u>	<u>860.9%</u>

Description:

This segment includes the costs of contractual services related to Research and Development (R&D) initiatives on new technology and equipment which primarily include efforts to improve mail processing technology, construction engineering, and field industrial engineering. Personnel costs for Postal Service employees engaged in R&D activities are described in Cost Segment

**Cost Segment 18
Admin & Area Ops**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	14,332	14,332	-	0.0%	14,332	-	0.0%
Expenses (\$000):							
Supplies and Services	4,343	4,463	120	276.0%	4,546	202	466.1%
Salaries and Benefits	6,760,626,745	7,596,849,566	836,222,821	1236.9%	8,348,323,836	1,587,697,091	2348.4%
Travel of Persons	55,753,369	56,816,265	1,062,896	190.6%	57,121,208	1,367,839	245.3%
Trans. of Hsld Eff	3,090,331	3,149,666	59,334	192.0%	3,166,669	76,338	247.0%
Other Services	219,285,806	221,005,679	1,719,873	78.4%	239,070,141	19,784,335	902.2%
Supplies and Materials	14,912,636	15,099,919	187,283	125.6%	14,894,561	(18,076)	-12.1%
Benefits: Former Person	27,719	27,719	-	0.0%	27,719	-	0.0%
Communications	16,024	16,422	398	248.3%	16,725	702	437.8%
Interest Expense	220,486,943	409,091,943	188,605,000	8554.0%	402,291,943	181,805,000	8245.6%
Employee Losses	56,363	56,211	(152)	-27.0%	56,211	(152)	-27.0%
TOTAL	<u>7,274,260,279</u>	<u>8,302,117,852</u>	<u>1,027,857,573</u>	<u>1413.0%</u>	<u>9,064,973,559</u>	<u>1,790,713,280</u>	<u>2461.7%</u>

Description:

This segment includes the personnel cost of employees at Headquarters, Headquarters related Field Service Units, and Area offices. Non-personnel costs specifically related to Headquarters or Area Administration, and miscellaneous support costs and contingencies which are corporatwide in nature are also included. Other costs included are awards and lump sum payments made to employees whose personnel costs are included in segments 15, 16, 18, & 19, and corporatwide personnel costs which are not allocated by employee category. Only those awards and lump sum payments which relate to individuals performance or some other circumstance unique to an individual are included in Segment 18. Awards and lump sum payment that are made to all or most employees in an employee category are included with the personnel cost of that employee category. Corporatwide personnel costs include worker's compensation, unemployment compensation, CSRS unfunded liabilities, CSRS annuitant COLAs, annuitant health benefits, annuitant life insurance, repricing of annual leave, annuity protection program, and health benefits for employees on workers' compensation.

**Cost Segment 19
Support Services**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	50	50	-	0.0%	50	-	0.0%
Expenses (\$000):							
Salaries and Benefits	3,853,360	4,034,245	180,885	469.4%	4,150,914	297,554	772.2%
Travel of Persons	753,286	767,749	14,463	192.0%	771,895	18,609	247.0%
Trans. of Hsld Eff	9,228	9,406	177	192.0%	9,456	228	247.0%
Supplies and Materials	975,474	975,474	-	0.0%	975,474	-	0.0%
Instructional Services	15,404,056	15,829,208	425,152	276.0%	16,122,049	717,992	466.1%
TOTAL	20,995,405	21,616,082	620,677	295.6%	22,029,789	1,034,383	492.7%

Description:

This segment includes the non-personnel cost of equipment maintenance training supplies and services, and the personnel c employees at the Maintenance Technical Support Center.

**Cost Segment 20
Depreciation & Servwide**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	-	-	-	0.0%	-	-	0.0%
Expenses (\$000):							
Depreciation	2,028,918,788	2,301,514,879	272,596,091	1343.6%	2,475,413,447	446,494,659	2200.7%
Expd Equip & ChargeOffs	(16,775,525)	(17,238,529)	(463,004)	276.0%	(17,557,442)	(781,917)	466.1%
Gain or Loss: Sale of Assets	(5,954,840)	(5,954,840)	-	0.0%	(5,954,840)	-	0.0%
Other Services	82,811,047	83,671,283	860,237	103.9%	84,263,806	1,452,759	175.4%
Embossed Envelopes	1,507,835	1,549,451	41,616	276.0%	1,578,116	70,281	466.1%
Ins. Claims & Indemnities	131,807,054	144,603,917	12,796,863	970.9%	147,273,719	15,466,665	1173.4%
Reimbursements	(103,837,667)	(104,296,693)	(459,026)	44.2%	(104,612,851)	(775,184)	74.7%
Other Services	2,622	2,622	-	0.0%	2,622	-	0.0%
TOTAL	<u>2,118,479,314</u>	<u>2,403,852,090</u>	<u>285,372,776</u>	<u>1347.1%</u>	<u>2,580,406,577</u>	<u>461,927,263</u>	<u>2180.5%</u>

Description:

This segment includes the cost of capital plant and equipment which consists of depreciation, amortization, and interest on debt. All Postal Service debt currently outstanding was incurred for the acquisition of capital. Also included in segment 20 are claims, losses, and other non-capital amounts written off. Interest on retirement liabilities is reflected in segment 20 so that all interest is included together in the same segment.

**Cost Segment 21
Capital Investments**

	Actual FY 2000	Estimate FY 2001	Change Amount FY 2001	Percent FY 2001	Estimate FY 2002	Change Amount FY 2002	Percent FY 2002
Resources:							
Positions							
Wkyr	-	-	-	0.0%	-	-	0.0%
Expenses (\$000):							
Construction	651,313,376	468,373,000	(182,940,376)	-2808.8%	377,185,000	(274,128,376)	-4208.9%
Building Improvements	580,107,542	307,675,000	(272,432,542)	-4696.2%	219,205,000	(360,902,542)	-6221.3%
Fixed Mech. Equipment	900,922,719	1,130,015,000	229,092,281	2542.9%	1,050,619,000	149,696,281	1661.6%
Other Vehicles	126,284,995	236,636,000	110,351,005	8738.3%	224,197,000	97,912,005	7753.3%
Window Service Equipment	333,791,660	144,628,000	(189,163,660)	-5667.1%	134,347,000	(199,444,660)	-5975.1%
Admin & General Support	418,392,527	387,808,000	(30,584,527)	-731.0%	410,772,000	(7,620,527)	-182.1%
TOTAL	<u>3,010,812,819</u>	<u>2,675,135,000</u>	<u>(335,677,819)</u>	<u>-1114.9%</u>	<u>2,416,325,000</u>	<u>(594,487,819)</u>	<u>-1974.5%</u>

Description:

This category includes funds for acquisition of sites, design and construction of new postal owned buildings, purchase of existing facilities, and improvement to existing leased and owned post office buildings

Mail processing equipment:

The funds planned in this program are for the purchase of fixed mechanization, non-fixed mechanization and other mail handling equipment. Fixed mechanization is custom made to meet the requirements for a particular mail handling operation or a specific building. Non-fixed mechanization consists of automated modules of equipment such as optical character readers, bar code sorters, expanded zip retrofit kits, etc. This program is directed toward reducing costs in mail processing operations.

Vehicles:

The vehicle program consists of four vehicle requirement categories: carrier motorization, bulk transfer vehicles for delivery and intra/inter-city transport of the mails, law enforcement vehicles for postal inspector surveillance, and other maintenance of vehicles and buildings.

Customer service equipment:

This equipment supports post office lobby, window, and self-service programs. The Postal Service's objective is to render new and improved services to postal customers in the retail area of post offices.

Postal support equipment:

Support equipment consists of such items as office machines and furniture, maintenance equipment, and automatic data processing equipment.

Current Period

Actual Fiscal Year:

FY 2000